



For Professional Investors in Switzerland or Professional Investors as defined by the relevant laws

## UBAM – GLOBAL EQUITY

### Investing globally across the CFROI® lifecycle

The fund invests in a portfolio of 40–60 stocks across all regions and sectors. The highly experienced portfolio management team aims to outperform the global equity index through a proven investment process based on the cash flow return on investment (CFROI®) life cycle principle.

#### Key points

- *Investing in global equities across the CFROI® life cycle, i.e. in a mix of growing, mature and turnaround companies*
- *Active management of tracking error depending on the investment environment. We expect tracking error to vary between 4% and 8%*
- *Strong track record for the strategy– it was initially launched in June 2009 as a mandate for an institutional client*

#### Investment case

Active investing in global equities offers investors the potential to participate in the value created by companies involved in global growth opportunities. Opportunities for outperformance come primarily from stock-specific factors, along with the divergence in regional growth prospects, and the differing investment and product cycles across industries.

The team invests across the CFROI® lifecycle, i.e. the conventional progression in profitability that firms and industries face: an initial high growth phase, followed by one of declining profitability as competition erodes returns, until no excess returns are generated.

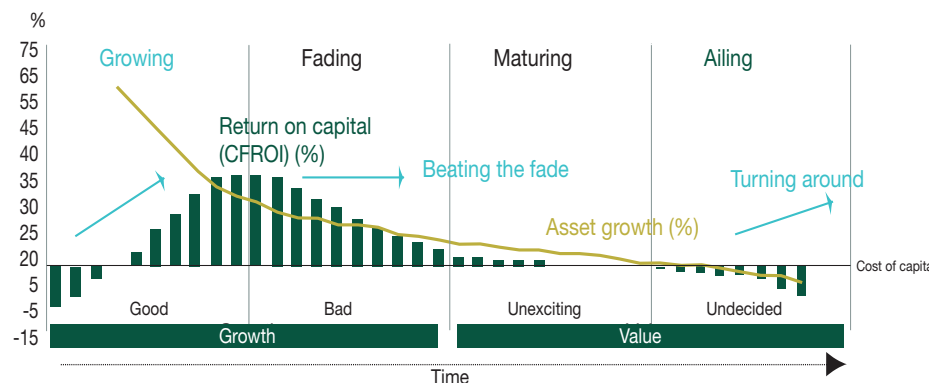
The investment approach aims to capture three alpha opportunities along this cycle: companies that have higher growth than expected by the market; companies that can “beat the fade” through high barriers to entry; and those able to reinvent themselves in difficult periods. The allocations to these three alpha opportunities will depend on the macro environment and the specific stock convictions identified.

#### Fund concept

The fund invests in a portfolio of typically 40–60 stocks from a wide range of regions and sectors, and across companies’ lifecycle. The investment approach is bottom-up – based on proprietary valuation models that emphasise cash generation (CFROI®) – and also reflects top-down and thematic considerations.

Portfolio tracking error is actively managed. Risk is hence managed according to the team’s views on the markets, increasing tracking error in constructive macroeconomic and stock-picking environments, and decreasing tracking error during less favourable periods.

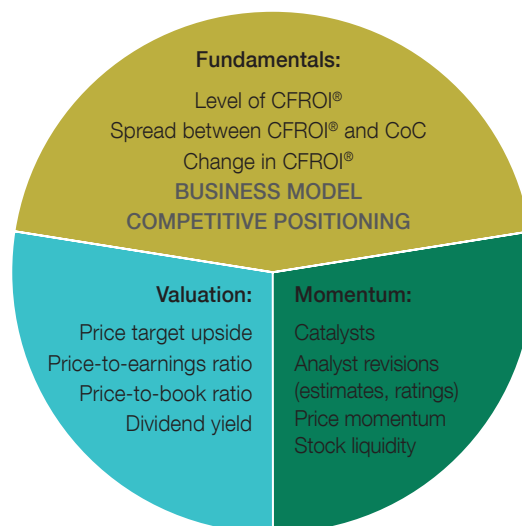
#### The CFROI® life cycle



Sources: UBP, ©Credit Suisse Holt  
Past performance is not indicative of future results

## Investment process

- The bottom-up analysis involves detailed fundamental and quantitative research including ESG criteria, and regular company meetings. The team seeks to identify long-term return potential which is not yet reflected in valuations, by understanding the competitive advantages and management capabilities of each company.
- The top-down perspective gained from meeting with external and internal strategists and macroeconomists allows the team to position the portfolio according to market conditions.
- Portfolio construction is based on the team's assessment of company prospects, catalysts and risks, and contribution to tracking error.
- Risk management takes into account portfolio beta, tracking error and stock intercorrelations.
- Portfolio tracking error is actively managed i.e. the team varies the amount of risk taken according to their view of the market environment and opportunity set.



Sources: UBP, ©Credit Suisse Holt

## Investment guidelines

- Concentrated portfolio of typically 40–60 stocks
- Tracking error below 9%
- Benchmark: MSCI AC World TR Net USD

## Investment team

- The team of four dedicated portfolio managers combine over 50 years of experience in financial markets and make full use of UBP's global research resources of over 40 investment professionals
- The fund is managed by Martin Moeller, Co-Head of UBP's Swiss and Global Equity team based in Geneva, and Eleanor Taylor Jolidon, the other co-Head, acts as deputy manager

## General information

Name	UBAM - Global Equity	
Legal form	Sub-fund of UBAM, Luxembourg-domiciled SICAV, UCITS	
Base currency	USD	
Currency-hedged share classes	USD, CHF, EUR, GBP, SEK	
Cut-off time	13:00 (LU time)	
Inception date	31.01.2015	
Minimum investment	None	
Liquidity	Daily	
Applicable management fee <sup>1</sup>	AC USD: 1.50% IC USD: 1.00% UC USD: 1.00%	APC USD: 1.00% IPC USD: 0.63% UPC USD: 0.63%
Performance fee <sup>2</sup>	10% above MSCI AC World Net Return (applicable only to P shares)	

## SRRI

← With lower risk, potentially lower rewards → With higher risk, potentially higher rewards →

1	2	3	4	5	6	7
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The SRRI (Synthetic Risk and Reward Indicator) relates to the IC USD share class LU1088697633 as of 19.02.2020 and may differ for other share classes of the same fund.

This indicator represents the fund's annual historical volatility. The level assigned reflects the risk/return profile: 1: lowest; 2: low; 3: limited; 4: average/moderate; 5: high; 6: very high; 7: highest.

Historical data such as that used to calculate the SRRI cannot be considered a reliable indication of the fund's future risk profile. The risk category associated with the fund is not guaranteed and may change over time.

Registered countries <sup>3</sup>	AT, CH, ES, FI, FR, IT, LU, NL, SE, SG, UK	
ISIN	AC USD: LU1088691354 IC USD: LU1088697633 UC USD: LU1088702227	APC USD: LU1088694457 IPC USD: LU1088700791 UPC USD: LU1088702730
Bloomberg ticker	AC USD: UGBEACU LX IC USD: UGBEICU LX	APC: UGEAPUC LX IPC: UGEIPUC LX
Investment manager	Union Bancaire Privée, UBP SA	
Depository bank	BNP Paribas Securities Services, Luxembourg Branch	
Administrator	CACEIS Bank, Luxembourg Branch	

<sup>1</sup>Only the main share classes are mentioned. Available share classes include A: Standard; I: Institutional; U: No entitlement to retrocessions / RDR-compliant; C: Capitalisation; P: Performance-fee. Others are available.

<sup>2</sup>A performance fee in reference to the MSCI AC World Net Return Index (the "Benchmark") is applied to some share classes. The Benchmark is not representative of the Fund's risk profile and the portfolio's investments will deviate materially from the Benchmark.

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